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16 January 2004

FILED ELECTRONICALLY

Ms. Marlene Dortch
Secretary
Federal Communications Commission
445 Twelfth Street, S.W.
Washington, DC 20554

Re: Ex Parte Presentations in Broadcast Flag Proceeding (MB Docket 02-230) and
Cable Plug & Play Proceeding (CS Docket No. 97-80 and PP Docket No. 00-67)

Dear Ms. Dortch:

This is to notify the Office of the Secretary that on January 15, 2004, Ted Sabety of Sabety + Associates and Rachael Schwartz of Baker & McKenzie, on behalf of the National Music Publishers' Association (NMPA), made an *ex parte* presentation to Rick C. Chessen, William Johnson, Alan Stillwell, Thomas L. Horan, Mary Beth Murphy, John Gabrysch, and Mike Lance of the Commission's staff concerning the above-captioned proceedings.

The presentation addressed issues raised in the reconsideration petitions filed by NMPA in those proceedings. The attached PowerPoint presentation that was used in the presentation summarizes its substance. The participants at the meeting discussed how the regulations promulgated by the Commission in these proceedings impact the music piracy problem and what regulatory solutions are appropriate. In addition to the PowerPoint presentation, an electronics equipment brochure that was used in the presentation is attached. In accordance with Section 1.206 of the Commission's rules, this notice is being filed electronically.

Sincerely,



Rachael E. Schwartz

Enclosures (2)

ATTACHMENT 1

Digital Plug and Play:

How Multi-Function Home Media Equipment Threatens Internet Music Services

January 15, 2004

At least 3 Copyrights in the Television Program

- Audio + Visual = Audiovisual Work.
- The audio is comprised of two copyrights:
 - Sound Recording (SR) and underlying Work, or song (PA).
- Use of Sound Recording and Work by movie studio, music television network or cable network, is subject to limited rights under their synchronization licenses, and public performance licenses.
- Rights do not include making and distributing copies of the music.

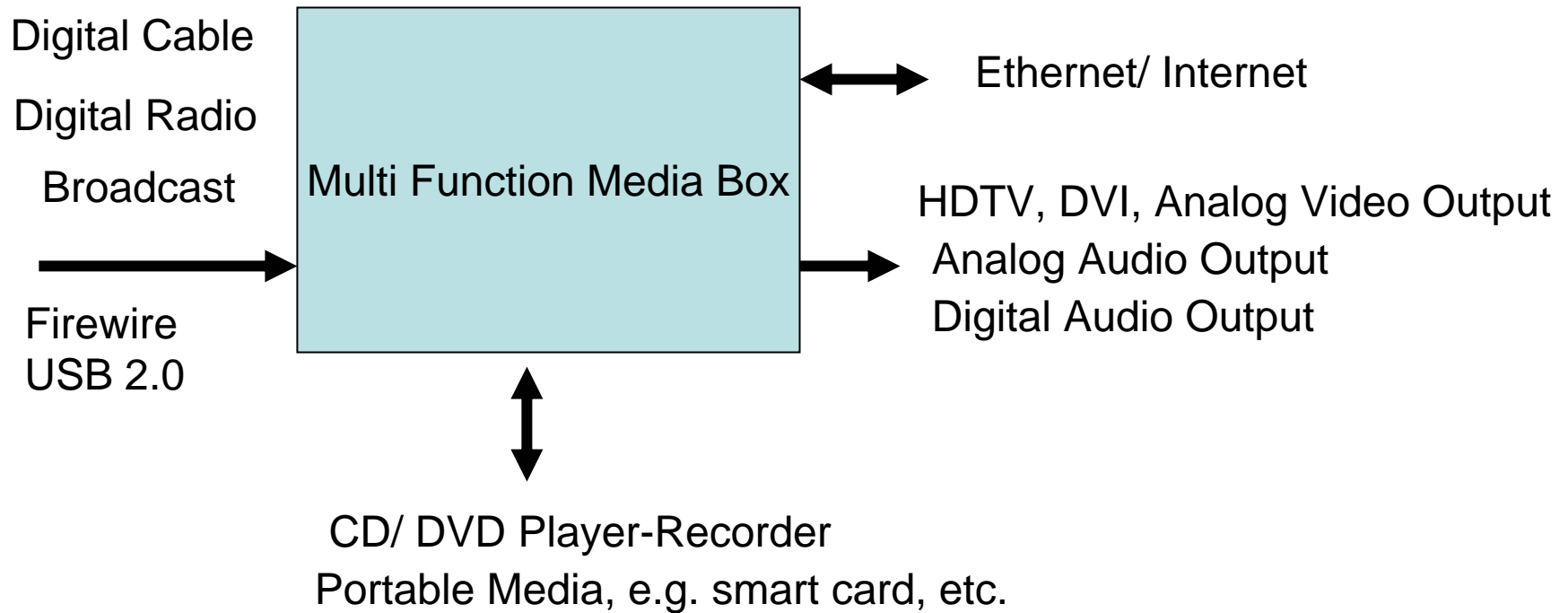
Economic Damage from Piracy of Sound Track is Likely.

- Music Video and Music used in movies and especially music video have value independent from the Audiovisual Work of the movie or music video.
- This value will increase as “a la carte” Internet music services return the music business to a “singles based” model.

Technology is Merging Home Media Functionality.

- Multi Function “TV” boxes will be the norm, not the exception.
- Multi Function means the same device has cable connectivity, cable decryption capability, Internet connectivity and recording functionality.
- Introduction by Computer Industry of PC Media Computers Reinforces This Trend.
- Vendors will compete on product functionality.

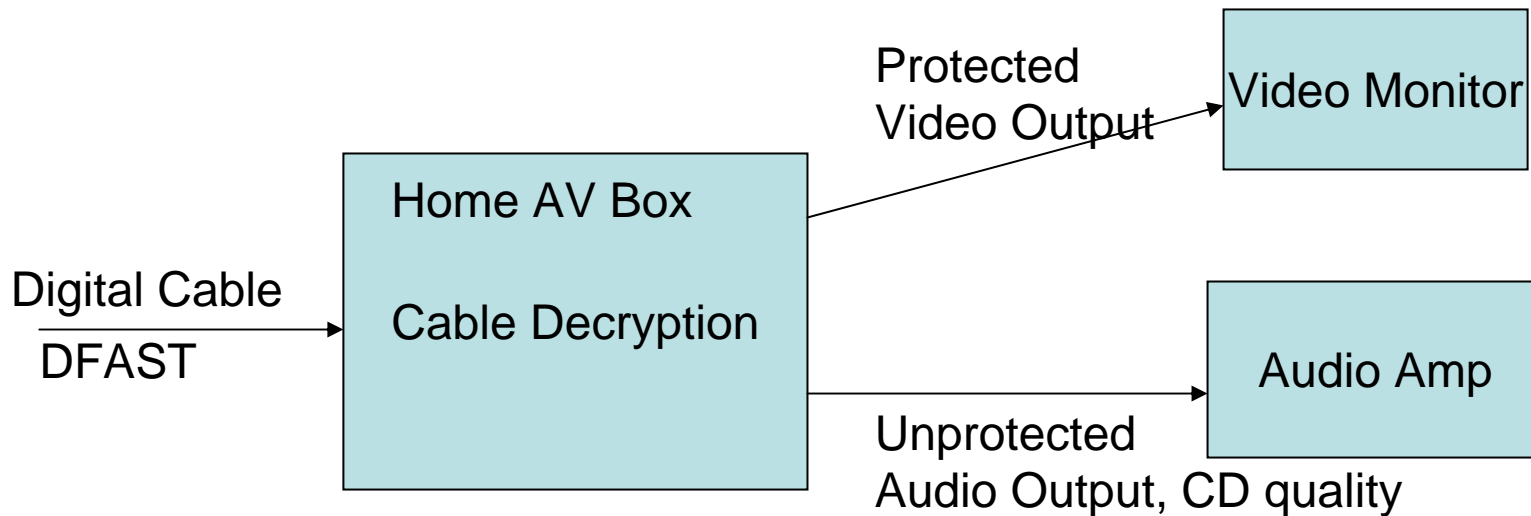
Multi Function Media Box: Samsung Home AV Center



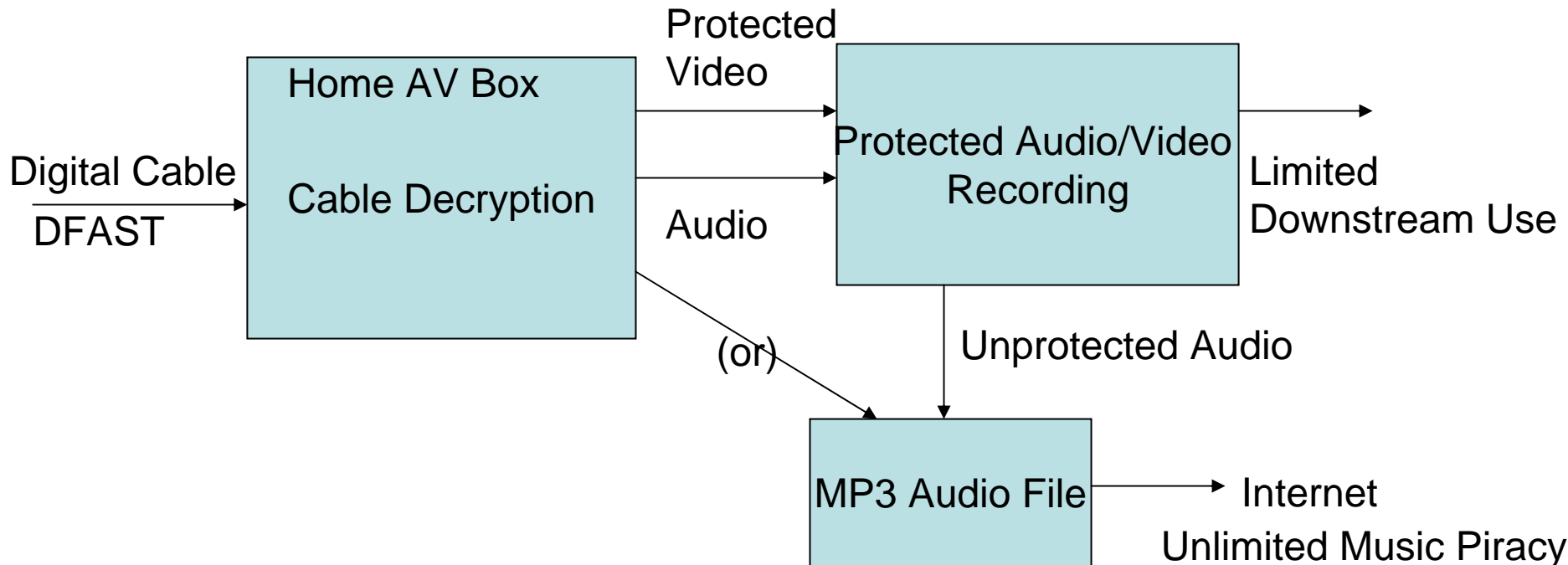
Delivery of High Quality Digital Sound Tracks for Television Programming Will Cause Economic Damage if they are Pirated Through Multifunction Media Boxes.

January 15, 2004

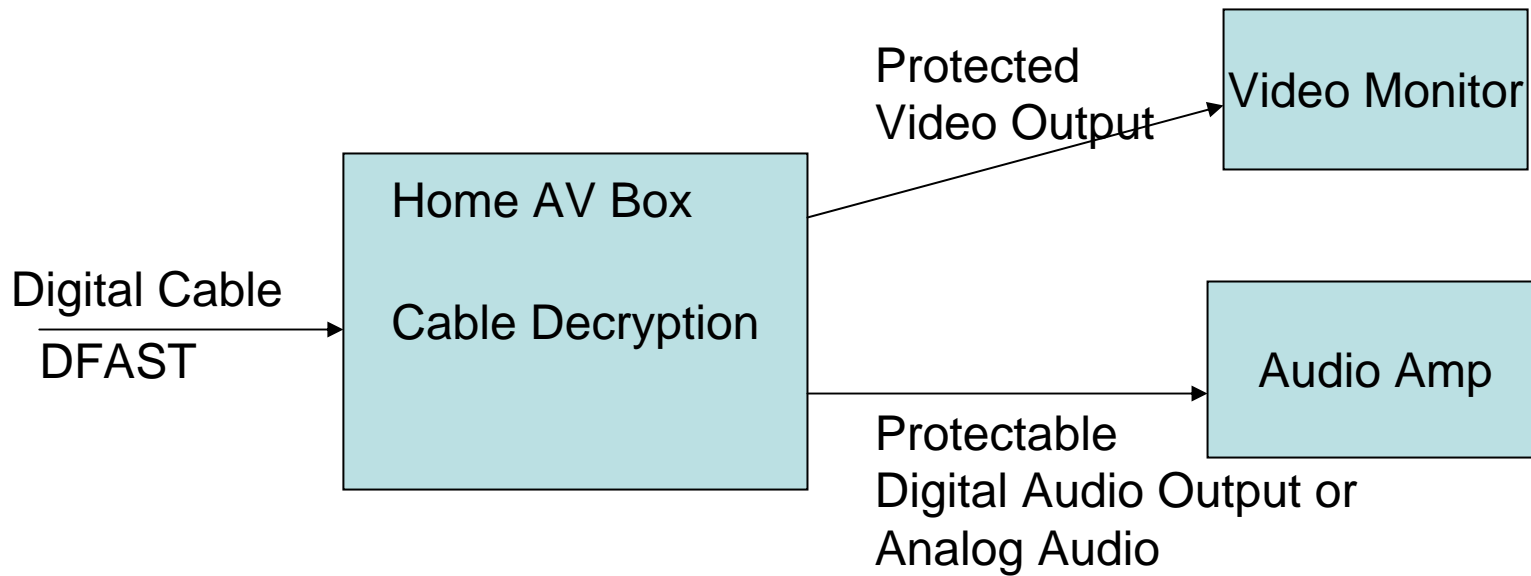
Multi Function Piracy Problem #1: Ripping the Digital Audio at the Output



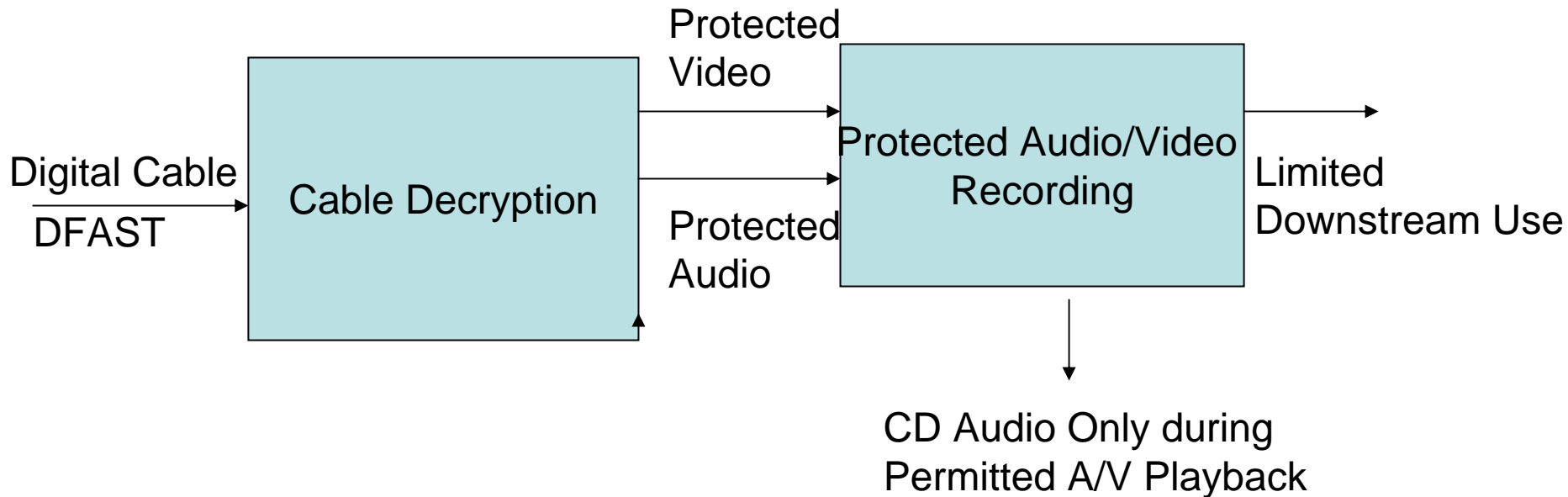
Multi Function Problem #2: Ripping the Digital Audio from the Audio-Visual Recording or as it is Decrypted



Regulatory Solution part 1: Audio Only Extraction Must be Protectable



Regulatory Solution part 2: Digital Audio Must be Tethered to Digital Video



Regulatory Solution part 1: No Limitations on Embedded Protection of Audio

- This paragraph shall not apply to embedded copyright protection data or information present in and relevant to the sound recordings or musical works comprising the audio soundtrack of such Commercial Audiovisual Content.
- (iii) to prevent or limit copying, playback or transmission of the audio channel of Commercial Audiovisual Content not otherwise permitted by §76.1903.

Regulatory Solution part 2: Digital Audio Should be Tethered to the Digital Video

- (b) A Covered Product shall not make a copy of, playback or transmit in digital form any audio channel comprising Commercial Audiovisual Content except: (i) copies or transmissions made in compliance with the applicable Defined Business Model where the copy or transmission of the audio channel is an integral part of an Encoded copy or Encoded transmission or (ii) playback from a Covered Product made in synchrony with the performance of the Commercial Audiovisual Content it has been Encoded with, as permitted by the applicable Defined Business Model.

Tethering the Digital Audio to the Digital Video Makes Sense.

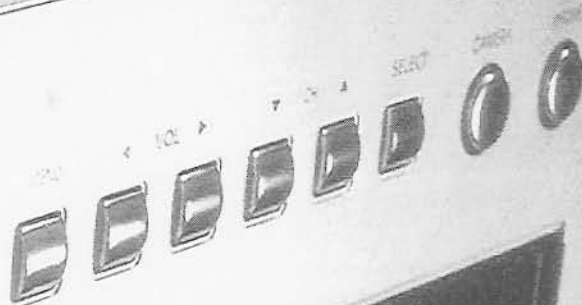
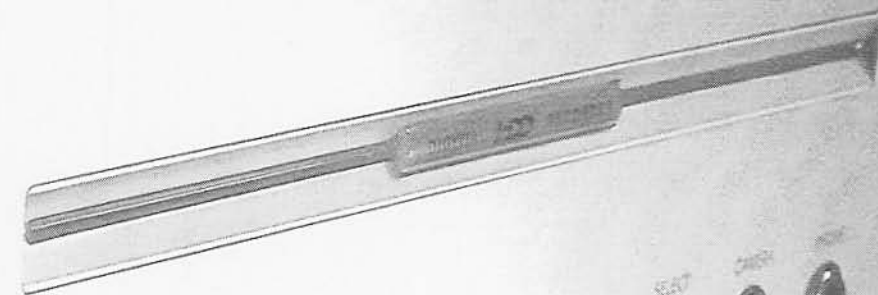
- Television Programming is the Audiovisual work as a unit, not the audio.
- F.C.C. jurisdiction may be over the television program broadcast and the equipment that receives it, but does not extend to distribution of copies of music.
- Tethering lets the F.C.C. avoid the issue while reaching its goal of Digital Television Broadcast.
- Limitations in Equipment Functionality can be addressed privately.
- Permits new services to be developed for authorized distribution of music copies on these devices.

ATTACHMENT 2

MIC

SAMSUNG

HOME AV CENTER



What is Home AV Center?

○ Home AV Center

- ▶ Terrestrial DTV Receiver (optional Satellite/Cable)
- ▶ Electronic Program Guide (EPG)
- ▶ Personal Video Recorder (PVR)
- ▶ DVDP/CDP
- ▶ Security Camera, Caller ID etc.
- ▶ Dynamic User Interface
- ▶ Multi-room Distribution
(will be applied for 2nd Generation.)

Digital TV Receiver

- Terrestrial DTV STB (ATSC)

Moving picture sharing / Storage / Edit

- PC I/F - USB1.1



Personal Computer



Cable/xDSL Modem

Netw
thru
netw

Key Feature

Terrestrial DTV Receiver

- ATSC(HD&SD)
- Electronic Program Guide(EPG)
- Automatic Scan

PVR

- Built-in 40GB HDD
- Storage Time : 14 Hours of
HDTV Quality
- Timer Recording Available
- Time Shift Function as a
Live Signal

DVD Player

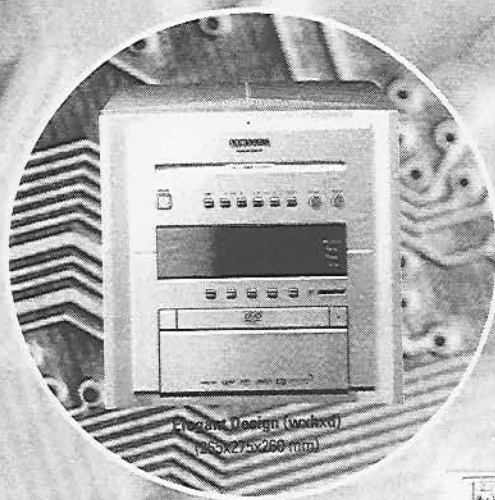
- DVD, CD, VCD, CDR Playback
- 10 Bits Video DAC
- Smooth Motion Scan & Slow
- MP3 Play Back
- Virtual 3D Sound
- DTS Digital Output

Connection

- Memory Stick Slot (Option)
- A/V jacks on Rear Panel
- Component Video (RGB, DVI)
- S-Video In & Out
- Virtual 3D Sound
- DTS Digital Output



"Allowing the storage, delivery and sharing of different content with the added functions of home security and web connection."

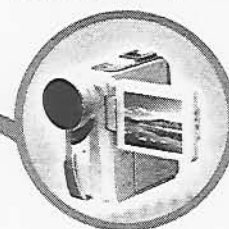


Elegant Design (width)
(265x275x260 mm)



DVD Player

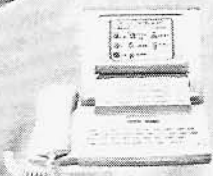
Still/Moving pictures sharing / Storage / Edit



Digital Camcorder & Digital Still Camera



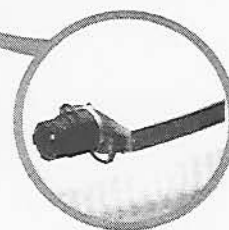
40GB HDD



Caller-ID

Viewing/storage the displayed screen by networking with web security cameras in home

- Network : Ethernet



Security Camera

Home AV Center

ork connection
gh other in-house
ork line (Ethernet)

Specification

CPU

X86 VIA Eden 667MHz
128MByte SDRAM
PCI Support

Mpeg Decoder & Graphic

ATI Xilleon 220 (2HD)
2D/3D Graphics Engine
PiP (Picture in Picture)

Network Interface

802.11a
Ethernet 10/100
2 x USB

Others Feature

HDTV (8VSB)
DVDP
HDD (40GByte)
Memory Stick
Web camera
CID
A/V Node

Out put

R G B
Y Pb Pr
DVI
SPDIF
CVBS

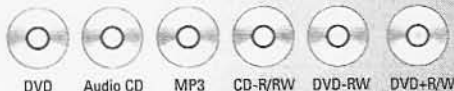
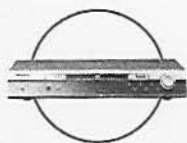
SAW Application

Linux OS
UPnP M/W
Flash UI
Media Play (WMV, MP3)
MEPG2 Encoder
Navi Browser

It's digital convergence!



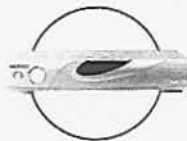
The Home AV Center with 40GB Hard Disc Drive will record up to 30 hours of your choice of programming in high video and audio quality without the use of videotapes. The Delete / Move / Parental Lock / Jump / Skip functions will allow to operate your HDD with convenience.



For two decades, the VTR has been the most successful form of recordable media for home video use. VCR's format has been accepted and spread worldwide. Now, the well-known VCR seems to have reached the end of its time and the DVD player is taking its place. DVD titles with super high quality audio are now taking the home entertainment market by storm.

DVD is a next generation media machine to lead the consumer electronics

- Uses MPEG-2 Compression Technology
- Same size as a compact disc
- Maximizes the recording density of the surface of disc
- Holds up to 17Gbyte of data



This function replays recordings as a live signal. The use of Time Shift is very convenient. If you are interrupted while watching a TV program, just press Time Shift and the receiver simply starts recording the program. When you are able to return to your TV, the receiver will play back the program from the point of interruption. You won't miss a thing and the program will simply end a few minutes later than expected.

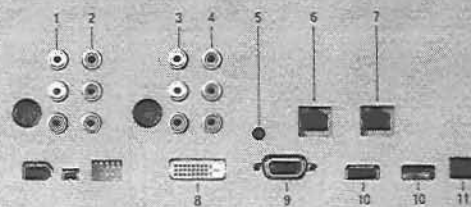


Incredibly, the quality of the output achieved is more vivid than the source. Using 480i source in DVD, it outputs 720p, 1080i quality at HDTV level.



Home AV Center can even display the caller ID of an incoming telephone call! Don't let another telemarketer interfere with your viewing pleasure.

Rear Panel



1. Video/Audio Out 2. HDTV Out 3. Video/Audio In 4. HDTV In
5. Serial 6. Telephone 7. LAN 8. DVI 9. RGB Out 10. USB 11. SPDIF



Dolby Digital Available

AC-3 is a new way of digitally encoding and compressing 5 discrete, full bandwidth audio channels and 1 subwoofer effects channel into a very small space compared to the requirements for 5.1 uncompressed audio channels. Individual channels are provided for left front, center, right front, left surround, right surround and subwoofer. And with the speaker level controls, you can configure the optimal disc-room-speaker configuration right at your fingertips.

